SECTION	SUBJECT	LIGGETT	PM COMMENT
897.10	Vicarious Responsibility	Not Accepted	
897.12	Removal of Noncomplying Items; Inspection to Ensure Compliance by Retailers	Not Accepted	
897.14	Retailer Verification Which Could be Imposed on Manufacturers by Various Provisions	Not Accepted	
897.16(a)	Prohibition of Certain Product Names	Not Accepted unless the names are likely or demonstrated to appeal to minors	
897.16(b)	Minimum Package Size	Accepted	
897.16(c)	Prohibition on Vending Machines, Self-Service Devices, Mail Order Sales, and Other "Impersonal" Modes of Sale	Not Accepted	PM USA supports measures to prevent youth access by (a) restricting vending machines and (b) requiring "line of sight"/control with respect to other self-service displays.
897.16(d)	Prohibition on Free Samples	Accepted, except where "no minors are present or likely to be present"	PM USA has ceased all sampling and all distribution of cigarettes through mail.
897.24	Established Names for Use on Labels	Not Accepted	
897.29	$150 Million Educational Program	Not Accepted	
897.30(b)	Prohibition on Outdoor Signs Within 1000 Feet of School or Playground	Not Accepted with respect to posters or placards. Accepted with respect to billboards but only those within 1000 feet of a "clearly marked" school or playground.	PM USA has previously adopted a 500-foot restriction on its billboards.
897.32(a)	Tombstone Format on Permissible Billboards	Unclear -- not mentioned.	

Source: https://www.industrydocuments.ucsf.edu/docs/lpbk0000

897.32(a)(1)	*Limitation on Tombstone* Advertising in any Publication Where More Than 15% of the Readership Are Under 18 Years Old	Accepted but only with respect to publications where the 15% rule is violated by "regular" readers and even then the acceptance will be phased in over 5 years.	PM USA advertises only in adult publications directed primarily to those over 21.
897.32(a)(2)	Limitation to Tombstone Advertising in any Publication Where the Readership of those Under 18 Is More Than 2 Million Regardless of the Percentage	Not Accepted	
897.32(b)	Requirement that Cigarettes Bear the Label "Nicotine Delivery Device"	Not Accepted	
897.32(c)	Addition of Specific Warning Directed to "Kids"	Not Accepted	
897.34(a)	Prohibition of Use of Cigarette Logos on Merchandise	Not Accepted except with respect to an item which is a new item and which is "more likely to appeal to minors than to adults." Liggett also rejects the prohibition with respect to the distribution of any item (without regard to youth interest) at an event where sponsorship is permitted. (See 34(c) below.)	PM USA will not use, and will take steps to ensure that others do not use, its logos with respect to any youth items; all clothing involving such logos are manufactured only in adult sizes.
897.34(b)	Prohibition on Redemption Programs	Not Accepted, except with respect to items which are "more likely to appeal to minors than to adults"; otherwise rejected.	PM USA's redemption programs are limited to adult smokers; those redeeming coupons must certify they are over 21.
897.34(c)	Prohibition on Event Sponsorship in the Name of Cigarette Brands	Not Accepted except with respect to an event which Liggett has not sponsored at some point over the last 10 years and then only with respect to those events where more than 15% of prior audiences have been composed of those under 18.	PM USA sponsors only events directed primarily to adults.

Source: https://www.industrydocuments.ucsf.edu/docs/lpbk0000

897.36	Prohibition on False and Misleading Labeling or Advertising	Not Accepted	PM USA will not engage in false and misleading advertisements or labeling.
897.40	Recordkeeping and Reporting Requirements	Not Accepted	
897.42	Permission for More Stringent State or Local Requirements	Not Accepted	
897.44	The Trigger for More Stringent Provisions in the Event Goals Are Not Achieved Within 7 Years	Not Accepted	
		As promptly as "reasonably practicable," eliminate cartoon characters from tobacco advertising, promotional materials, and activities.	PM USA does not use cartoon characters at all in its tobacco advertising or promotions.
		Notwithstanding these limited commitments, Liggett further specifically reserves the right to limit or renounce compliance with any of these provisions in order to keep the net cost to Liggett under $1 million per year. In addition, Liggett may further negate any restriction if compliance would breach any preexisting legal obligations and Liggett may oppose any other FDA rule to the extent that it believes compliance with that rule would be "impractical or excessively expensive." Finally, Liggett expressly states in the agreement that it is not "acknowledg[ing] [FDA] jurisdiction."	In addition to the other steps noted above, PM USA has previously agreed with the Institute of Medicine Report to provide notices on all of its packages stating "Underage Sale Prohibited". In addition, PM USA last year announced a program to (1) deny incentive payments to retailers who are found to sell to minors; (2) post minimum age signs in all establishments its retail forces visit; (3) support legislation that would make such signs mandatory in all other locations as well; and (4) provide and fund retail training programs directed against youth access.

Source: https://www.industrydocuments.ucsf.edu/docs/lpbk0000

SECTION	SUBJECT	LIGGETT
897.10	Vicarious Responsibility	Not Accepted
897.12	Removal of Noncomplying Items; Inspection to Ensure Compliance by Retailers	Not Accepted
897.14	Retailer Verification Which Could be Imposed on Manufacturers by Various Provisions	Not Accepted
897.16(a)	Prohibition of Certain Product Names	Not Accepted unless the names are likely or demonstrated to appeal to minors
897.16(b)	Minimum Package Size	Accepted
897.16(c)	Prohibition on Vending Machines, Self-Service Devices, Mail Order Sales, and Other "Impersonal" Modes of Sale	Not Accepted
897.16(d)	Prohibition on Free Samples	Accepted, except where "no minors are present or likely to be present"
897.24	Established Names for Use on Labels	Not Accepted
897.29	$150 Million Educational Program	Not Accepted
897.30(b)	Prohibition on Outdoor Signs Within 1000 Feet of School or Playground	Not Accepted with respect to posters or placards. Accepted with respect to billboards but only those within 1000 feet of a "clearly marked" school or playground.
897.32(a)	Tombstone Format on Permissible Billboards	Unclear; acceptance appears to be limited to magazine restrictions in 32(a)(1). See below.
897.32(a)(1)	Limitation on Tombstone Advertising in any Publication Where More Than 15% of the Readership Are Under 18 Years Old	Accepted but only with respect to publications where the 15% rule is violated by "regular" readers and even then the acceptance will be phased in over 5 years.
897.32(a)(2)	Limitation to Tombstone Advertising in any Publication Where the Readership of those Under 18 Is More Than 2 Million Regardless of the Percentage	Not Accepted
897.32(b)	Requirement that Cigarettes Bear the Label "Nicotine Delivery Device"	Not Accepted
897.32(c)	Addition of Specific Warning Directed to "Kids"	Not Accepted

Source: https://www.industrydocuments.ucsf.edu/docs/lpbk0000

897.34(a)	*Prohibition of Use of Cigarette Logos on* Merchandise	Not Accepted except with respect to an item which is a new item and which is "more likely to appeal to minors than to adults." Liggett also rejects the prohibition with respect to the distribution of any item (without regard to youth interest) at an event where sponsorship is permitted. (See 34(c) below.)
897.34(b)	Prohibition on Redemption Programs	Not Accepted, except with respect to items which are "more likely to appeal to minors than to adults"; otherwise rejected.
897.34(c)	Prohibition on Event Sponsorship in the Name of Cigarette Brands	Not Accepted except with respect to an event which Liggett has not sponsored at some point over the last 10 years and then only with respect to those events where more than 15% of prior audiences have been composed of those under 18.
897.36	Prohibition on False and Misleading Labeling or Advertising	Not Accepted
897.40	Recordkeeping and Reporting Requirements	Not Accepted
897.42	Permission for More Stringent State or Local Requirements	Not Accepted
897.44	The Trigger for More Stringent Provisions in the Event Goals Are Not Achieved Within 7 Years	Not Accepted
		As promptly as "reasonably practicable," eliminate cartoon characters from tobacco advertising, promotional materials, and activities.
		Notwithstanding these limited commitments, Liggett further specifically reserves the right to limit or renounce compliance with any of these provisions in order to keep the net cost to Liggett under $1 million per year. In addition, Liggett may further negate any restriction if compliance would breach any preexisting legal obligations and Liggett may oppose any other FDA rule to the extent that it believes compliance with that rule would be "impractical or excessively expensive." Finally, Liggett expressly states in the agreement that it is not "acknowledg[ing] [FDA] jurisdiction."

2047021181

Source: https://www.industrydocuments.ucsf.edu/docs/lpbk0000